

*M/003/026*

**Star Stone Quarries, Inc.  
4040 South 300 West  
Salt Lake City, Utah 84107  
Tel. (801) 262-4300  
Fax (801) 262-4474**

October 18, 2000

Mr. D. Wayne Hedberg  
Permit Supervisor  
Division of Oil, Gas, and Mining  
P. O. Box 145801  
Salt Lake City, Utah 84114-5801

re: Conditional Notice of Tentative Approval for Rosebud Quarry; M/003/026, Box Elder  
County, Utah.

Dear Wayne:

Lynn Kunzler spoke with me today concerning the reclamation surety estimate for the Rosebud Quarry. Star Stone Quarries is diligently working with an insurance company to set up reclamation surety bonding instead of having to pay cash up front for a certificate of deposit. The paperwork associated with setting up the reclamation surety bonding is expected to be completed in the next two weeks. A favorable response from the insurance company will greatly lower up front cash costs for Star Stone Quarries. If the insurance company can keep their timetable for completing the paperwork, it should be completed about November 1.

Star Stone Quarries will get the reclamation surety bonding set up as soon as possible after the insurance company completes their work. We would like to get final approval to get back into the Rosebud Quarry as soon as practical to begin operations this season.

Sincerely,



Lon Thomas  
President; Star Stone Quarries, Inc.

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OIL, GAS AND MINING